Irregularities in Export of Rice

1622. SHRI PRITHVIRAJ D. CHAVAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have received complaints about the irregularities committed in the export of rice from 1993 onwards;

(b) if so, the extent to which the loss suffered by the country on this account;

(c) whether the Government instituted any enquiry against all these officers and firms involved in this fraud; and

(d) if so, the details thereof and the action taken against the culprits?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH) : (a) and (b) 18 complaints relating to export of sub-standard rice/delay in shipments/non-shipment of consignments have been received in the Trade Disputes Cell of the Directorate General of Foreign Trade since 1993. It is not possible to estimate the profit/loss suffered as the shipments are made by exporters as per the terms and conditions of the contract entered in to by them with the overseas buyers.

(c) and (d) As per the Export-Import Policy, export of Basmati and Non-Basmati (fine and superfine varieties) are permitted without quantity and price restriction. The exports are undertaken by the exporters. The mechanism to deal with the complaints through the Regional Standing Committees on Quality Complaints is as under :-

"The complaints of foreign buyers alleging supply of sub-standard quality goods against Indian exporters received in the Cell are referred for investigation and settlement to Regional Standing Committees on Quality Complaints set up for the purpose at Ahmedabad, Banaglore, Bombay, Calcutta, Cochin, Delhi, Hyderabad, Kanpur, Ludhiana and Madras. If the disputes are settled to the satisfaction of foreign buyers through concllliation and/or if the Regional Committee after considering the facts of the case, decides that there is no fault on the part of Indian exporter/manufacturer and/or that the complaint is not genuine, the case is dropped. In cases where the Committees fails to settle the dispute amicably and concllliation does not take place and the Committee finds that the fault lies with the Indian exporters or that they are not cooperating, such cases are decided by the Committee to be dealt with under the penal and adjudication provisions of the FTDR Act/rules applicable and the cases are then referred for adjudication."

All the complaints have been subjected to the above procedure. 3 cases have been settled/closed, 3 cases are subjudice and 1 firm and their proprietor/directors have been debarred from receiving any export licences and/or making export of goods In any way for a period of two years w.e.f. 16.04.1996.

Customres and Excise Duty

1623. SHRI UTTAM SINGH PAWAR :

SHRI G. VENKATSWAMY :

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received any request from the Federation of Indian Textile Engineering Industry regarding anomoly in the customs duty structure and reduction in excise duty;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) to (c) Representations were received from Federation of Indian Textile Engineering Industry (FITEI) regarding customs and excies duty structure on textile machinery. FITEI had represented that customs duty on raw materials like steel, plastic, synthetic rubber etc. required to manufacture textile machines may be reduced from 30%/40% to 20% to bring it on par with customs duty on textile machines. Similarly, customs duty on parts required to manufacture specified textile machines, which attract customs duty of 10%, may be reduced to 5%. Further, excise duty on textile machines, especially weaving and knitting machines, may be reduced from 13% to 8%.

The representations received from FITEI were considered. Basic customs duty on parts of specified textile machines was reduced to 10% to bring it on par with basic customs duty on complete specified textile machines.

Government has not found it feasible to reduce customs duty on raw-materials required to manufacture textile machines and to reduce excise duty on textile machines.

Excise Scam

1624. SHRI B.L. SHANKAR : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the news-item captioned "400 crore excise scam unfolding" appearing in the Indian Express dated July 6, 1997;

(b) if so, the details thereof and reasons for this scam; and

(c) the reaction of the Government and the action taken or proposed to be taken by the Government to punish the culprits and guilty officials and to recover the money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) Yes, Sir.